To: Assemblywoman Diane Harkey and Staff

From: Gino Folchi

Date: Sunday June 10, 2012

Re: Weekly HSR Clips June 6 to June 10

#### **Blogs**

#### Californians Say No to High Speed Rail

The economic and political climate has changed drastically since 2008, making it difficult to pinpoint the precise reasons for this shift. But as the *Huffington Post* points out, there are a few obvious explanations. In the years since the passage of Prop 1A, the plans have been scaled back, so that the train will now share tracks with local trains for much of its route, which will force it to travel at slower speeds in certain areas. Walter Russell Mead The American Interest -06/06/12

#### Governor Brown's Abuse of Power

We are now seeing politics at its ugliness. Brown, whois 74, desperately wants a legacy project, and it appears that he is attempting to get it at the expense of and on the backs of the less fortunate. The General Fund payments that his project will require will hurt, the elderly, and lead to a loss of jobs for teachers, and more impacts on education. The Governor's own tax initiative could be teetering on the verge of failure, and might go down if the public were to put two and two together and realize that tax increases the Governor is asking for may end up funding his unpopular train project. Kathy Hamilton Examiner - 06/07/12

#### The Bottom Line of All Our (Rail) Lines

This clearly SHOULD have been the plan we voted for, but still is projected to cost roughly \$68 billion at a time when the CAHSR Authority's credibility is at rock bottom, and at a time when the federal government's share of the costs are not likely to materialize any time soon. The Authority MUST focus on keeping the total budget closer to \$40 billion (NOT \$68 billion), and MUST focus on what \$9-10 billion can get us now, because it's all we might ever get any time soon. Ken Alpern City Watch – 06/07/12

#### **Politico Morning Transportation**

And LaHood has love for California: LaHood later told reporters that the "stars are aligned correctly in California" for the high-speed rail system. But he still wants California to legislatively show a commitment in the coming days to the federal government's \$3.3 billion contribution. "The money that we have committed is more money than we've committed anywhere else in the country. We really like California's high-speed rail plan. And we also like the leadership that the governor's put in place," LaHood said, noting Chairman Dan Richard and Executive Director Jeff Morales are excellent leaders for the job. "California is positioned to really be ahead of the game." Burgess Everett & Adam Snider Politico – 06/07/12

# DesertXpress inks deal to add train link from Victorville to Palmdale, making travel to L.A. possible

seamless high-speed rail system linking Las Vegas with downtown Los Angeles is the goal adopted today by representatives of DesertXpress and the Los Angeles Metropolitan Transit Authority. DesertXpress Enterprises already is trying to build a high-speed rail line between Las Vegas and Victorville, Calif. A new agreement signed today makes possible a second leg, linking Victorville to Palmdale, Calif., and eventually Los Angeles. Richard N. Velotta Vegas Inc -- 06/07/12

# Did High Speed Rail De-rail the Tobacco Tax?

With all the negative attention placed on the high speed rail, a recent USC Dornsife/LA Times <u>poll</u> shows that six out of ten voters would oppose the plan if they had another chance to vote on it. It is not surprising that voters would be suspect about setting up another separate state venture using set-aside funds while the budget is in deficit – again. **Joel Fox Fox & Hounds** -- 06/08/12

## **Columnists**

In his quest to be like his father, Gov. Brown risks his own legacy on high-speed rail But he undermines the frugality image by continuing to champion a financially indefensible plan to link the major metropolitan areas of the state with high-speed rail. In his search for his own legacy he risks voter support for his tax measure. Brown should exercise caution. While he strives to be remembered like his late father for the capital projects he leaves behind, defeat of the tax measure could so badly undermine his financial recovery plans and lead to the gutting of the state's public education system that his legacy might instead resemble that of his former chief of staff, Gray Davis. Daniel Borenstein San Jose Mercury News -- 06/09/12

#### California's once-proud highways are crumbling

While the bullet train debate rages in the Capitol and in the media, however, everyone is ignoring a far more pressing transportation issue – the deterioration of highways and roads that most Californians use every day and that were once considered to be the finest such network in the world. Dan Walters SacBee – 06/10/12

#### Diane Harkey

# With high-speed rail, is California buying a house while slashing its bills?

California politicians may decide to embark upon a similar strategy, on a far bigger scale. Even as they must ax crucial services by Friday to help close a \$15.7 billion deficit, state lawmakers are weighing California's costliest project ever: a \$69 billion high-speed rail line. "You don't run your home like that," said Assemblywoman Diane Harkey, R-Dana Point, who's tried, unsuccessfully, to kill the bullet train. "We're bankrupt." It looks so simple: Halt the train, save the budget. After all, \$69 billion is three-fourths the amount of the entire state budget -- enough money in the upcoming year to give free tuition to every Cal State and University of California student, wipe out the state sales tax, fund the

state's health care services subsidy and still close the budget deficit. **Mike Rosenberg**<u>San Jose Mercury News</u>, <u>Oakland Tribune</u>, <u>American Planning Association</u>, <u>San Gabriel</u>
Valley Tribune – 06/10/12

#### **Editorials**

#### Rail rush

Fiddling with the state's environmental law will not make California's bullet train a more realistic prospect. Legislators should not try to bulldoze potential legal obstacles out of the way of high-speed rail. Instead, the Legislature should just halt a project the state does not need and cannot afford. **Editorial Board Riverside Press-Enterprise** -- 06/05/12

## High-speed train hits a poll

A new poll shows that given the chance, a strong majority of Californians would vote against the project. However, it seems doubtful they'll ever get a do-over on the 2008 bond election that authorized \$9 billion in project seed money. Political pressure - from Democratic leaders such as Gov. Jerry Brown and Rep. Nancy Pelosi as well as labor unions and the Obama administration - is being exerted on state lawmakers to push ahead. **Editorial Board Stockton Record** -- 06/06/12

# High-speed rail plan is delusional

But back then nobody foresaw the economic plunge that still leaves California mired in budget deficits. We lost faith in the original board and its planning and construction team. Then last year, an updated plan with wildly higher costs for a smaller system sent us leaping to the sidetrack. (Oopsie, did we say \$45 billion? We meant \$98 billion. No, no, wait, \$68 billion. Well, you know, around there. Did we say San Diego and Sacramento would be included? Um, our bad, they're not.) Editorial Board San Jose Mercury News, LA Daily News, Contra Costa Times, San Bernardino Sun, Long Beach Press-Telegram -- 06/09/12

#### Governor needs to stop high-speed rail folly

The fact is, California can't even afford to pay for schools, much less this example of governmental folly. Gov. Jerry Brown, who has become the lead engineer stoking this engine that can't, is now proposing the state Legislature suspend environmental laws so that high speed rail can leave the station without the usual delays that come from required reviews. Bad idea from a governor who is having to slash state spending and ask for higher to taxes in the face of a massive budget deficit. **Editorial Board Santa Cruz Sentinel** -06/10/12

#### **Magazines**

# California's Failing Project Could Spell The End Of High-Speed Rail For The Whole Country

As high-speed rail projects across America have run into political trouble or been cancelled, California's the largest and most ambitious has continued to move forward.

But now even California's plan is in jeopardy. Its ambition has been scaled back and its projected costs have increased. **Staff** The Economist -- 06/05/12

## **News**

# State's agricultural board echoes farmer concerns about bullet train

The California State Board of Food and Agriculture voted Tuesday to send a letter to rail authority Chairman Dan Richard, asserting that the bullet train agency had failed to properly address the agricultural industry's concerns. A particular concern is the proposed high-speed rail route, which at various points veers out of highway and utility corridors into farmland, the letter says. Ralph Vartabedian LAT -- 06/05/12

## Calif. governor floats plan for letting bullet train roar past enviro lawsuits

Gov. Jerry Brown's (D) administration floated draft legislation that would curb the state's environmental law as it applies to initial construction of the train. The language, circulated among green groups, would require judges before they stop development to weigh the project's impact on the state. They would be obligated to consider job losses as well as the fact that a delay could force California to forfeit \$3.3 billion in federal funding. **Anne Mulkern** Greenwire -- 06/06/12

## Kings County's high-speed rail lawsuit faces hearing

A court hearing next week in Sacramento will determine whether a potentially pivotal Kings County lawsuit can move forward against high-speed rail efforts in the San Joaquin Valley. The county, along with Hanford farmer John Tos and Hanford resident Aaron Fukuda, allege in their suit that the California High-Speed Rail Authority's plan for construction between Merced and Bakersfield violates Proposition 1A, approved by voters in 2008. Tim Sheehan Fresno Bee -- 06/06/12

# Farm bureaus file lawsuit against rail project

Madera and Merced county farm bureaus said they planned to file a lawsuit last Friday in what is likely the most significant challenge to the project yet. "We feel the high-speed rail authority has not listened to our requests along the way," said Anja Raudabaugh, executive director of the Madera County Farm Bureau. "If they're going to shove this project down our throats, then we're going to shove this lawsuit down theirs." Joshua Emerson Smith SacBee -06/06/12

#### \$365,000 salary for new high-speed rail chief

Morales, once a director of the California Department of Transportation, is a vice president with Parsons Brinckerhoff, the consulting company that manages the authority's statewide high-speed rail efforts. Parsons Brinckerhoff is being paid \$199 million under a seven-year contract that expires in 2013. Morales' hiring stirred critics who said his ties to the company prompt conflict-of-interest worries. David Schonbrunn, president of the Transportation Solutions Defense and Education Fund, told the authority that it "is about to make one of [Parsons Brinckerhoff's] most loyal employees its paymaster." Tim Sheehan Fresno Bee -- 06/08/12

#### **High-speed rail: By the numbers**

Plans for a high-speed rail system snaking up the spine of California have the project pegged as the state's costliest ever. Lots of numbers follow a price tag that big. \$69 billion: Project's projected cost over decades. \$91.4 billion: Proposed 2012-13 state budget. \$15.7 billion: Estimated state budget deficit. \$36 million: Project's projected 2012-13 budget cost. \$750 million: Annual amount, on average, that the project could cost the state budget over 30 years. Staff San Jose Mercury News -- 06/08/12

#### **Op-Eds**

# Legislators need courage to end high-speed rail now

Readers! Please inundate our local state legislators with calls, emails, tweets, whatever, urging them to vote **no** on high-speed rail. No hedging their bets, kicking the can down the road or face-saving compromises. Just vote **no** and end this terrible boondoggle. In particular, the education community at all levels should be concerned that the state Legislature may pass a budget this month authorizing nearly \$3 billion of high-speed rail bonds. The money necessary to repay these bonds -- up to \$700 million per year -- will "crowd out" other items from the state budget, most likely education. Palo Alto City Councilman Larry Klein Palo Alto Online -- 06/08/12

#### Give us a new vote on bullet train

In the midst of a continuing, unprecedented annual budget deficit now estimated to exceed \$16 billion, the California High-Speed Rail Authority stubbornly insists on pursuing a costly project that no longer resembles that envisioned in 2008 when voters approved \$9.9 billion in bonds for initial funding. The state budget and the rail project are related because principal and interest on state bonds must be paid first, before education funding and other programs and services. When the \$9.9 billion in bonds are sold, the debt service will be approximately \$700 million annually. Bruce Nestande OC Register – 06/08/12

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